

Paragon Application Systems Increases Revenue by 70% in the Last Two Years

Paragon experiences continued growth fueled by increased demand for their products and professional services, new markets and international expansion

(Holly Springs, NC—March 11, 2009) Paragon Application Systems, the leading provider of ePayment simulation, configuration and testing software, achieved record sales and revenue growth in 2008 fueled by a significant increase in worldwide demand for their products and professional services. Revenue has jumped 70% since 2006 with an increase of 32% in 2008, and 30% in 2007.

“During the past couple of years our focus has not been simply on growth per se but rather on balanced growth,” says Gary Kirk, President of Paragon Application Systems. “In addition to extending our product sales into new industries and geographic areas outside the U.S. we have worked hard to strengthen our consulting and professional services capabilities. We have increased head count by 30% in the past year, adding talented, experienced staff who understand the challenges our customers face every day and can help them meet those challenges. Our customers are seeing with increasing frequency the value our professional services staff can bring. This diversity of revenue sources has not only contributed to our past success but also positions us well for the future.”

In 2008, over 50 new clients turned to Paragon for their testing needs including one of the largest merchant processors in the world, the largest payment processor in Canada, and some of the largest processors in Latin America and Russia. Paragon executed more than 100 agreements with new and existing customers worldwide and sold over 200 product licenses for a total of more than 1200.

Paragon software and services helped customers achieve mission-critical goals including:

- Implementing contactless card support with a major issuer
- Assisting in EMV implementation at several Canadian financial organizations
- Facilitating the integration of development teams from 60 countries for a Top-10 bank
- Implementing test cases to exercise fraud detection for a major processor
- Verifying a BASE24 upgrade at one of the largest processors in Russia
- Assisting with a migration to Postilion software in a major Middle Eastern bank
- Refining testing methodologies and instituting ‘best practices’ with a major processor in Latin America

“Change drives demand for Paragon products, and this was certainly the case in 2008,” says Jim Perry, VP of Sales and Marketing for Paragon. “It was an exciting year and we were pleased that organizations from around the globe turned to Paragon to help them improve their testing

process while maximizing their testing investments. The economic events of 2008 have forever changed the way business is conducted in the finance sector. Looking ahead, organizations will be challenged to look at new models to drive operational efficiencies into the equation while at the same time driving cost out. We believe our products and services are uniquely qualified to help organizations improve their cost of ownership model while improving their testing processes.”

About Paragon Application Systems

Paragon Application Systems is a leading global provider of ePayment simulation, configuration and testing software tools to the financial industry. More than 450 financial institutions in over 80 countries use Paragon tools to improve quality and reduce time-to-market. Paragon’s broad customer base includes major interchanges, processors, leading software providers, banks and credit unions. Visit Paragon Application Systems at www.paragonedge.com.